

Before the Board Of Supervisors
County of Placer, State of California

In the matter of: An Ordinance Amending an Uncodified
 Ordinance Relating To Salaries and Compensation
 And Benefits of Placer County Deputy Sheriffs
 Association

Ord.No.: _____

First Reading: November 2, 2010

Second Reading _____

The following Ordinance was duly passed by the Board of Supervisors of the County of Placer
at a regular meeting held November 23, 2010 by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chairman, Board of Supervisors

Attest:
Clerk of said Board

Ann Holman

THE BOARD OF SUPERVISORS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA,
DOES HEREBY ORDAIN AS FOLLOWS:

The Board of Supervisors of the County of Placer, State of California, hereby ordains as
follows:

That this uncodified Ordinance modifies provisions relating to salaries, compensation
and benefits of the Placer County Deputy Sheriffs Association employees, as set out in
Attachment A and is effective immediately upon final adoption. This ordinance shall not be
codified.

**ATTACHMENT A
DEPUTY SHERIFFS UNIT EMPLOYEES**

Medical Insurance:

1. Effective pay period 12, November 6, 2010 for the 2011 benefit year, all DSA represented employees who elect to opt out of the CalPERS Health plan, because he/she has other coverage available, and elects to participate in the In Lieu of Health (ILH) option, will receive a flat dollar amount of \$150.00 per pay period to be contributed to their 401(k) account.
2. Effective pay period 12, November 5, 2011 for the 2012 benefit year, all DSA represented employees who elect to opt out of the CalPERS Health plan, because he/she has other coverage available, and elects to participate in the In Lieu of Health (ILH) option, will receive a flat dollar amount of \$130.00 per pay period to be contributed to their 401k account.

Dental Insurance:

1. Effective pay period 16, January 1, 2011 for the 2011 benefit year all DSA represented employees will pay the following dental premiums:
 - a. Employee Only = County Paid
 - b. Family Coverage = \$60.00/month
2. DSA represented employees will pay for the full cost for dependents and any future rate increases associated with dependent coverage in the dental plan. The County will continue to pay for the employee only cost.
3. Retiree Dental Participation: Effective the first full pay period following adoption, employees represented by DSA hired on or after this date will not be eligible to participate in the dental plan at retirement. Participation in retiree dental plan will be limited to current DSA represented employees, including those DSA retirees who retired since July 1, 2000.

Retiree Vision Insurance:

The County will add a retired annuitant vision insurance program if and when a program becomes available at the State and is paid for 100% by the retired annuitant.

CalPERS Retiree Health Insurance:

Placer County and the DSA will seek legislative amendments to the CalPERS PEMHCA Government Code to change eligibility for CalPERS Retiree Health Insurance vesting based upon CalPERS Service Credit earned with Placer County only and exclude other public service credit as part of the eligibility criteria. All New Hires represented by DSA will need at least ten (10) years of Placer County service to receive 50% of the employer contribution, increasing by 5% for each additional year of Placer County service to a maximum of 100% at twenty (20) years of service.



MEMORANDUM
OFFICE OF THE
COUNTY EXECUTIVE
COUNTY OF PLACER

TO: Honorable Board of Supervisors
FROM: Thomas M. Miller, County Executive Officer
Nancy Nittler, Personnel Director
DATE: November 23, 2010
SUBJECT: Placer County Deputy Sheriff's Association Memorandum of Understanding

ACTION REQUESTED

It is recommended that your Board take the following actions:

1. Adopt an ordinance implementing the provisions of the Memorandum of Understanding between Placer County and the Placer County Deputy Sheriff's Association.
2. Adopt an uncodified ordinance adjusting compensation and benefits for Placer County Deputy Sheriff's Association represented employees.

BACKGROUND

The Placer County Deputy Sheriff's Association (DSA) represents approximately 225 active employees, including sheriff deputies, district attorney investigators and welfare fraud investigators. The last labor agreement between the County and the DSA expired in 2006. Earlier this year, labor negotiations commenced with the DSA to reach a new agreement. On October 29, 2010 the DSA membership overwhelmingly approved a two year agreement and, then, on November your Board approved the MOU through formal action. The item before the Board today is the second reading, and adoption of, two implementing ordinances.

Memorandum of Understanding Terms

The content of the agreement approved by the Board on November 2nd encompassed compensation and benefits that included greater cost sharing into the future:

- Two Year Term through June 30, 2012
- New Hires / Two Tiered Retirement Platform
 - Safety -- 3% at age 55 modified; highest or final 3 year average compensation.
 - New employees will begin to pay 9% of their employee pension contribution (the County will pick up the employer contribution) effective 1/1/11.

- Miscellaneous -- 2% at age 55 modified; highest or final 3 year average compensation.
 - New employees will begin to pay 7% of their employee pension contribution (the County will pick up the employer contribution) effective 1/1/11.
- Dental Insurance Cost Sharing: benefit year adjustment whereby employees pay the increased dental costs for dependents and the County continues to cover the employee.
 - Freeze retiree dental coverage participation to current active employees upon retirement; eliminate benefit for new hires.
- 401K in Lieu of Health Insurance Coverage: flat \$150 per pay period for Benefit Year 2011 and \$130 per pay period for Benefit Year 2012.
- Restoration of .5% employee PERS contribution.
- Committee to study sick leave balance uses at retirement; make recommendations to limit the liability while protecting the employee in the event of a long term illness.
- New Employee Option: sick leave and/or vacation balances, at retirement, can be placed into a deferred compensation account (based upon IRS limitations).
- February / Measure F salary increases based upon the voter approved formula.
 - Maintain the existing salary relationships tied to Measure F.
- Alcohol and Drug Policy Update
- Agreement to pursue future retiree health insurance vesting legislation whereby eligibility is based 100% upon Placer County service.
- Various personnel rule changes affecting leave of absence, fitness for duty, longevity pay, discipline, tuition reimbursement and merit increases.

CalPERS rules require that an actuarial report be completed prior to Board adoption of the Two-Tiered pension formula to allow full disclosure of the cost and/or savings that would be related to the requested action. As a result, the Resolution needed to adopt the new Two-Tiered pension formulas will be brought back to your Board for consideration later this calendar year or early in 2011 with the intent to implement for new hires as soon as possible thereafter. It is expected that there will be significant savings on every dollar of salary paid to new hires with this action due to the anticipated reduction in the employer contribution rate as well as the increased pick up of the employee contribution rate by the employee.

FISCAL IMPACT

The new MOU will cost the County approximately \$13,477 in FY 2010-11 and \$26,956 in FY 2011-12. These cost increases relate to the reduction for the employee PERS contribution of .5% (paid for by the County starting 1/1/11), offset by increased dental premium cost sharing and a reduction in the In Lieu of Health Contribution to the 401k plan. "New" Measure F increases are estimated at approximately \$300,000 for five months in FY 2010-11 and \$710,000 for the full year impact in FY 2011-12.

In the longer term, moving to a Two-Tiered pension platform for new hires should help mitigate, or flatten some of the growth in the cost of employee pension benefits due to an immediate reduction in the employer contribution rate under the second tier. In addition, these employees

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will begin to pay 100% of the employee contribution amount which equates to 9% for safety and 7% for miscellaneous employees.

Attachments

1. Ordinance amending Chapter 3 of the Placer County Code implementing the provisions of the Memorandum of Understanding between Placer County and the Placer County Deputy Sheriff's Association.
2. Uncodified ordinance implementing salary, compensation and benefit adjustments for Placer County Deputy Sheriff's Association represented employees.

